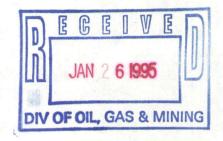


Michael O. Leavitt Governor Dianne R. Nielson, Ph.D. Executive Director Don A. Ostler, P.E.

State of Utah

DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF WATER QUALITY

288 North 1460 West P.O. Box 144870 Salt Lake City, Utah 84114-4870 (801) 538-6146 (801) 538-6016 Fax (801) 536-4414 T.D.D.



January 18, 1995

Mr. Don Dallape Absolute Mining & Minerals, Inc., (AMMI) 1350 East 145 South Lehi, Utah 84043

Re:

BLM UTU-72488 Placer Mine Along the Dolores River in Grand County

Dear Mr. Dallape:

We have reviewed a letter, submitted to us on January 17, 1995, written by your consultant D.C. Johnson. In this letter Mr. Johnson states that "zero amount of wash water will return to the Dolores River". Enclosed with this letter is a copy of the letter sent to the BLM office that states "any water returning to the river will be within the guidelines of the State water quality standards". These two statements appear to be contradictory, could you please clarify. Enclosed is the letter we received highlighting these statements.

Depending on which of these statements are correct we need to receive clarification or we need to receive and review a detailed plan for treatment of the wash water prior to discharge to the river.

Following our review of the proposed facility, we will advise you whether you will need a ground water, discharge, and/or construction permits. The permits must be issued before you can begin construction of a process facility.

If we can be of further assistance, please contact me or Mr. Lyle Stott of my staff.

Sincerely,

Kiran L. Bhayani, P.E., D.EE., Manager

Design Evaluation Section

Enclosure

KB:LWS:

cc: Division of Oil, Gas and Mining

Mr. Sal Venticinque - Bureau of Land Management

NDALLAPE.135: FILE:BLM